

REMARKS

This is intended as a full and complete response to the Office Action dated September 10, 2003, having a shortened statutory period for response set to expire on December 10, 2003. Claims 1-6, 9-11, and 14 have been amended to more clearly recite aspects of the invention. The amendments have been made in a good faith effort to advance prosecution on the merits. Claims 1-19 remain pending in the application after entry of this response. Claims 15-19 have been added. Applicants believe no new matter has been introduced by the amendments and the new claims presented herein. Claims 1-5, 7-10 and 14 are rejected. Reconsideration of the rejected claims is requested for reasons presented below.

Figure 1 is objected to because it does not include any reference numbers. A proposed drawing correction is included in this response.

The drawings are objected to because feature(s) recited in claim 13 are not illustrated therein. Figure 6 has been added to illustrate the recited feature(s). Applicant believes this is not new matter because the recited feature(s) is adequately described in the specification. (See Application, pg. 6, lines 20-22.)

Figure 3 has been amended to change the member number of 36 to 45. There were two members labeled 36 in the drawings and the specification. The member number 30 in Figure 5 has been changed to 50 for the same reason. The specification has been amended accordingly as well.

The Examiner did not enter amendments to the specification included in the Preliminary Amendment filed May 7, 2002 because she did not believe they conformed to 37 CFR 1.125. Applicant has included those amendments and others in this response as a substitute specification and believes they comply with the Revised Amendment Practice. No new matter is introduced by these amendments.

Claims 1, 3, and 4 were objected to for various informalities. The claims have been amended to correct those informalities.

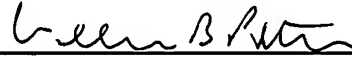
Claims 1-5, 7-10 and 14 stand rejected under 35 U.S.C. 103(a) as being unpatentable over *Falgout*, (U.S. Patent No. 5,775,444) in view of *Coram* (U.S. Patent No. 5,450,914).

Falgout, does not teach, suggest, or show a tool that “is configured to change the direction of drilling in an *infinitely variable* manner” of new claim 16 or “changes the direction of drilling from the first direction to *any desired* second direction” of new claim 19. The motor 1 disclosed in *Falgout* must be fully actuated to change the direction of drilling. “Rotation is in *preselected increments* each time the rate of fluid flow in the pipe string is changed between preselected limits. Once rotated *an increment* the housing is rotationally locked ...” (See *Falgout*, Abstract, emphasis added.) “In known tools the rotation cannot be infinitely variable, but has to be done in invariable angular turns in the range of 15-20 degrees.” (See Application, pg. 1, lines 16-19.) Further, *Coram* does not teach, suggest or show a tool that that is infinitely variable or that will change the direction to any desired direction. *Coram* teaches a “FLUID POWERED *STEPPING* MOTOR FOR ROTATING A DOWNHOLE ASSEMBLY RELATIVE TO A SUPPORTING PIPE STRING.” (*Coram*, Title, emphasis added.) *Falgout* and *Coram*, alone or in combination, do not teach or disclose all the limitations recited in claims 16 and 19. Therefore, claims 16 and 19 are patentable over *Falgout* in view of *Coram*. Claims 1-5, 7-10, 14, and new claims 17 and 18 are also patentable over *Falgout* in view of *Coram* because they depend from claim 16.

Claims 6 and 11-13 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims. Claims 6 and 11-13 have been rewritten to include all of the limitations of the base claim and any intervening claims.

In conclusion, the references cited by the Examiner, alone or in combination, do not teach, show, or suggest the invention as claimed. Having addressed all issues set out in the office action, Applicant respectfully submits that the claims are in condition for allowance and respectfully request that the claims be allowed.

Respectfully submitted,



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